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Mike Tobin
(216) 622-3651

Kim Kowalski
(614) 728-9692

**FINANCIAL FRAUD ENFORCEMENT TASK FORCE ANNOUNCES
REGIONAL RESULTS OF “OPERATION STOLEN DREAMS” TARGETING
MORTGAGE FRAUDSTERS**

CLEVELAND – Following an announcement today by Attorney General Eric Holder in Washington, DC, representatives of the Financial Fraud Enforcement Task Force in Cleveland, including U.S. Attorney Steven M. Dettelbach, Ohio Attorney General Richard Cordray, Federal Trade Commission Regional Director Jon Miller Steiger and Cuyahoga County Prosecutor Bill Mason, announced the regional results of the nationwide takedown, Operation Stolen Dreams, which targeted mortgage fraudsters in the Northern District of Ohio and throughout the country.

The takedown was organized by President Obama’s interagency Financial Fraud Enforcement Task Force, which was established to lead an aggressive, coordinated and proactive effort to investigate and prosecute financial crimes. Starting on March 1, Operation Stolen Dreams resulted in mortgage fraud cases in which 1,215 defendants were charged across the country. The FBI estimates that approximately \$2.3 billion in losses were inflicted by the mortgage fraud schemes employed in these cases.

Unlike previous mortgage fraud sweeps, Operation Stolen Dreams focused not only on federal criminal cases but also on civil enforcement, restitution for victims and increasing cooperation with state and local partners.

“Mortgage fraud ruins lives, destroys families and devastates whole communities, so attacking the problem from every possible direction is vital,” said Attorney General Holder. “We will use every tool available to investigate, prosecute and prevent mortgage fraud, and we will not rest until anyone preying on vulnerable American homeowners is brought to justice.”

In the Northern District of Ohio, charges have been filed or guilty pleas taken from 26 people for mortgage fraud crimes since March 1 involving 81 properties and a loss of approximately \$12.7 million. The homes used in these schemes range from duplexes in Cleveland to colonials in Shaker Heights to a mansion on 10 acres in Geauga County.

“We here in Northern Ohio are painfully aware of the harmful impact mortgage fraud has

on our communities,” Dettelbach said. “It leaves behind boarded-up homes and devastated neighborhoods. We are committed to working together to end this scourge.”

“In the past year, our regional mortgage fraud task forces have secured indictments of more than 152 individuals statewide involving more than \$120 million in fraudulent loans,” said Cordray. “This is evidence that our coordinated efforts are gaining results. Together, we will continue to seek new ways and new partnerships to not only prosecute those who break the law but to protect those who are most vulnerable.”

In the Southern District of Ohio, 15 people have been charged or convicted since March 1 in crimes with a total loss of nearly \$43 million. As part of Operation Stolen Dreams, earlier this month, the U.S. Attorney for the Southern District of Ohio, Carter M. Stewart, and U.S. Attorney Dettelbach jointly convened a statewide mortgage fraud summit in Columbus. The summit brought together partners from law enforcement, fair housing, civil rights and academia who shared their experiences and strategies.

The President’s Financial Fraud Enforcement Task Force includes representatives from a broad range of federal agencies, regulatory authorities, inspectors general, and state and local law enforcement who, working together, bring to bear a powerful array of criminal and civil enforcement resources. The task force is working to improve efforts across the federal executive branch, and with state and local partners, to investigate and prosecute significant financial crimes, ensure just and effective punishment for those who perpetrate financial crimes, combat discrimination in the lending and financial markets, and recover proceeds for victims of financial crimes. For more information on the task force, visit StopFraud.gov.

This was truly a joint effort involving cooperation and work between the U.S. Attorney’s Office, the Ohio Attorney General, the Federal Bureau of Investigation, the Federal Trade Commission, the Internal Revenue Service, the Ohio Attorney General’s Office, the Department of Housing and Urban Development’s Office of Investigations, the U.S. Trustee’s Office, the Bureau of Alcohol, Tobacco, Firearms & Explosives, the Cuyahoga County Prosecutor’s Office, the U.S. Postal Inspection Service and the U.S. Secret Service.

Operation Stolen Dreams cases in the Northern District of Ohio included:

United States vs. Kimberly Wilson, et. al

Thirteen people were charged in this fraud, which involved 28 homes in Cleveland, Shaker Heights and Warrensville Heights and loans totaling approximately \$3.25 million. Park Mortgage loan officer Kimberly Wilson, 37, of Shaker Heights, and tax preparer Antoinece Robin Boyd, 39, of Cleveland, plead guilty for their roles Tuesday, while seller Beyond Wynn, 36, of Shaker Heights, plead guilty this morning.

United States vs. Anthony Jerdine, et. al.

Two people plead guilty this week to a \$3.4 million scam involving two homes in South Russell and Pepper Pike. The South Russell home, situated on 10 acres, was bought on August 31, 2007 for \$710,000 then resold the same day to a straw buyer for \$2 million. The Pepper Pike home received an inflated appraisal and a \$1 million mortgage loan was secured through falsified loan applications, according to the charges. Loan officer Diana Coomer plead guilty Wednesday, admitting she helped complete and submit mortgage applications containing false information and provided false documents to support the applications on both homes. Straw buyer Terry Smith plead guilty Monday, admitting he bought the South Russell property using a false loan application.

State of Ohio v. Freedom Equity Savings, LLC

This foreclosure rescue business is based in Dublin, Ohio, but is registered to do business in 9 other states. The Ohio Attorney General's Office has charged the company with violations of Ohio's Consumer Sales Practices Act for accepting money from homeowners to prevent foreclosure and failing to provide the promised services. FES utilized a sophisticated-looking website and phone solicitations to attract consumers and charged up to \$3,250 in fees. Cordray has asked the court for civil penalties and full restitution for Ohio consumers.

State of Ohio v. JLS & Associates Financial Services

Located in Cleveland on Brookpark Road, this foreclosure rescue operation has been charged with violating Ohio's Consumer Sales Practices Act including failure to deliver and unfair, deceptive and unconscionable acts or practices. As the lawsuit outlines, JLS charged consumers more than \$1,000 in fees with the promise to rescue their homes from foreclosure. In the end, the promised services were not provided and many consumers were worse off. The Ohio Attorney General's Office has asked the court for civil penalties and full restitution for Ohio consumers.

Federal Trade Commission v. Debt Advocacy Center, et. al

The Federal Trade Commission alleges that this group of companies and individuals deceptively sold purported mortgage assistance rescue services. The FTC alleges these deceptions violated the Federal Trade Commission Act and that some of the defendants used methods that also violated the Telemarketing Sales Rule. Last month, the FTC added new defendants and allegations to the case in order to address certain defendants' use of "forensic loan audits" as a tool to market mortgage loan modifications. According to the new allegations, these defendants falsely stated that forensic loan audits – which supposedly uncover legal violations in mortgage documents – would lead to mortgage modifications. The FTC coordinated the filing of this case with Attorney General Cordray's office.